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**NEWS RELEASE**

### **COMPUTER COMPANY'S INVESTMENT PLAN CHALLENGED**

May 3, 2006. Salt Lake City, Utah . . . The Utah Division of Securities announced today that it issued an Order to Show Cause against Video Projects, Inc., Dike Edward Williams, its president, and Robert H. Caldwell, a company salesman, for taking \$550,000 in investments without complying with the law and for deceiving investors.

Video Projects, of Sandy, claimed to be in the business of computer sales, service, and training. Williams and Caldwell solicited investors to prepare an initial public offering (IPO) for Video Projects. Investors were given promissory notes with an interest rate of 10% per year.

The Order to Show Cause alleges that investors were told their money was not at risk because Williams had over \$7 million in real estate equity; the investor money was needed because Williams' assets were tied up in the real estate. Williams personally guaranteed repayment of the notes, but he did not have \$7 million in equity. In fact, Video Projects was experiencing cash flow problems, Williams had two unpaid, outstanding judgments against him for over \$18,000, and Williams and the company were trying to renegotiate \$2.5 million in outstanding loans. One investor received a few interest payments while the others received none.

The money from investors was not used for an IPO for Video Projects. Instead, the money was used to make payments to other investors, for payroll, for mortgage payments on other properties, and for Williams' personal expenses. The corporate charter of Video Projects expired in June 2001, a year after it was formed.

A hearing on the Division's allegations will be held in June.